IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR
&
THE HONOURABLE MR. JUSTICE K.M.JOSEPH

MONDAY, THE 14TH AUGUST 2006 / 23RD SRAVANA 1928

ST.Rev..No. 80 of 2003()

TA.630/2000 of S.T.A.T.ADDL.BENCH,ERNAKULAM
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PETITIONER

M/S. STEEL CRAFT INDUSTRIES,
CHANGAMPUZHA NAGAR, SOUTH KALAMASSERY,
ERNAKULAM, REPRESENTED BY ITS MANAGING PARTNER,
MRS. MARY MATHEW.

BY ADV. SRI.K.J.JOSE

RESPONDENTS:

STATE OF KERALA.

BY GOVERNMENT PLEADER SRI. GEORGEKUTTY MATHEW

THIS SALES TAX REVISION HAVING COME UP FOR ADMISSION ON 14/08/2006, ALONG WITH STRV NO. 53 OF 2003 THE COURT ON THE SAME DAY PASSED THE FOLLOWING:

C.N.RAMACHANDRAN NAIR & K.M.JOSEPH, JJ.

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S.T.R.V. Nos.80 and 53 of 2003

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Dated this the 14th day of August, 2006.

JUDGMENT

Ramachandran Nair, J.

The question raised is whether the Tribunal was justified in upholding the sales tax assessment on the manufacture and sale of products by the petitioner after rejecting petitioner's claim of exemption on the ground that petitioner has done only job work as a contractor. On going through the Tribunal's order we find that petitioner as a small scale industrial unit was engaged in manufacture and sale of switchboards, panel boards etc. However, after period of exemption is over petitioner switched over the stand claiming that manufacture is against specific orders and so much so, turnover represent works contract. We find that all the three authorities including the Tribunal on facts held that petitioner was engaged in manufacture and sale of products such as electrical switch boards, panel boards etc. Of course petitioner produced some purchase orders from companies for manufacture and supply of various articles. However, going by the principles laid down by the Supreme Court in M/S.HINDUSTAN SHIPYARD LTD. V. STATE OF ANDHRA PRADESH (2000) 8 KTR 433 we do not think even advance orders whereunder manufacture and sale are made, make the transaction works contract. Even though articles are produced for various customers, the petitioner is purchasing the raw materials, manufacturing and supplying the goods. We are of

the view that even custom made articles are goods as held by the Supreme Court in the abovereferred decision. In the circumstances, we find no ground to interfere with the decision of the Tribunal. These Sales Tax Revision Cases are accordingly dismissed.

C.N.RAMACHANDRAN NAIR
Judge

K.M.JOSEPH
Judge

pms

C.N.RAMACHANDRAN NAIR &
K.M.JOSEH, JJ.

S.T.R.V. Nos.80 & 53 of 2003

JUDGMENT

Dated 14.8.2006